

## SAFETY AND PROFESSIONAL SERVICES

Budget Summary							
Fund	2014-15 Base Year Doubled	2015-17 Governor	2015-17 Jt. Finance	2015-17 Legislature	2015-17 Act 55	Act 55 Change Over Base Year Doubled	
						Amount	Percent
GPR	\$4,827,000	\$0	\$0	\$0	\$0	- \$4,827,000	- 100.0%
FED	1,591,600	363,800	959,600	959,600	959,600	- 632,000	- 39.7
PR	<u>97,379,000</u>	<u>24,181,000</u>	<u>101,575,600</u>	<u>101,575,600</u>	<u>101,575,600</u>	<u>4,196,600</u>	4.3
TOTAL	\$103,797,600	\$24,544,800	\$102,535,200	\$102,535,200	\$102,535,200	- \$1,262,400	- 1.2%

FTE Position Summary						
Fund	2014-15 Base	2016-17 Governor	2016-17 Jt. Finance	2016-17 Legislature	2016-17 Act 55	Act 55 Change Over 2014-15 Base
GPR	1.00	0.00	0.00	0.00	0.00	- 1.00
FED	5.90	0.00	1.70	1.70	1.70	- 4.20
PR	<u>255.70</u>	<u>0.00</u>	<u>245.44</u>	<u>245.44</u>	<u>245.44</u>	<u>- 10.26</u>
TOTAL	262.60	0.00	247.14	247.14	247.14	- 15.46

### Budget Change Items

### Agencywide Provisions

#### 1. STANDARD BUDGET ADJUSTMENTS [LFB Paper 570]

**Governor/Legislature:** Decrease funding by \$693,600 (-\$4,500 GPR, -\$67,800 FED, and -\$621,300 PR) in 2015-16, and by \$672,800

(-\$4,500 GPR, -\$67,800 FED, and -\$600,500 PR) in 2016-17 to reflect the following standard budget adjustments: (a) turnover reduction (-\$344,200 PR annually); (b) removal of noncontinuing elements (-\$14,900 FED and -\$843,900 PR annually); (c) full funding of continuing positions (-\$4,500 GPR, -\$31,800 FED, and \$868,200 PR annually); (d) lease and directed move costs (-\$21,100 FED and -\$301,400 PR in 2015-16, and -\$21,100 FED and -\$280,600 PR in 2016-17); and (e) minor transfers within appropriations, including converting 1.0 classified to unclassified position in the Division of Industry Services, which the

GPR	- \$9,000
FED	- 135,600
PR	<u>- 1,221,800</u>
Total	- \$1,366,400

administration indicates was done in error [no modification was adopted by Joint Finance].

## **2. LAPSE REQUIREMENT**

**Governor:** Specify that the 2013 Act 145 requirement that the Department of Safety and Professional Services (DSPS) lapse \$6,232,000 and the Department of Financial Institutions (DFI) lapse \$2,434,400 to the general fund from the unencumbered balances of GPR and PR appropriations in 2015-16 would also apply to 2016-17. However, provide that the amounts to be lapsed by DSPS and DFI would be combined (\$8,666,400) as an amount to be lapsed from the Department of Financial Institutions and Professional Standards [See "Budget Management and Compensation Reserves."]

**Joint Finance/Legislature:** Eliminate the required lapse of \$8,666,400 in each year of the 2015-17 biennium from the Department of Financial Institutions and Professional Standards. Instead, require that DSPS lapse \$6,232,000 PR in 2015-16, and \$6,232,000 PR in 2016-17.

[Act 55 Section: 4749]

## **3. FOUR-YEAR CREDENTIAL PERIODS AND INSTALLMENT PAYMENTS [LFB Paper 571]**

**Governor:** Increase the period for which most professional credentials issued by DSPS are valid, from two to four years, and authorize DSPS to promulgate rules allowing individuals to pay professional credential fees in installments.

*Increase Licensing Period to Four Years.* Increase the period that most professional credentials issued by DSPS are valid, from two years to four years. Currently, most professions regulated by DSPS must renew their professional license, certification, or registration every two years, according to dates specified in statute. For example, all chiropractors must renew their licenses by December 15 of each even-numbered year. This change would reduce the frequency of renewals from two years to four years, with renewals still occurring on the date specified in statute. Individuals applying for credentials would have staggered renewal years, with individuals born in even-numbered years applying two years apart from those born in odd-numbered years. This proposal does not apply to certain training or temporary credentials, which have renewal fees of \$10.

Permit DSPS to establish renewal years for credential holders that are not individuals, such as organizations and establishments, and stagger these renewal years as necessary.

Require certain professions with continuing education requirements to furnish proof of completion of the appropriate number of hours of continuing education during each two-year period of the prior four-year licensure period at license renewal.

Require DSPS to establish a system for transitioning individuals from two-year licensing periods to four-year licensing periods, with the change taking effect July 1, 2016. Permit DSPS to phase in implementation of this provision, so that certain groups have one final two-year

renewal after July 1, 2016. Individuals or groups renewing credentials for two years will only pay one-half of the fee required of an individual renewing a credential for four years. This provision does not affect fee levels. The statutes require that fee levels be set through a passive review process each biennium, based on the administrative cost of licensing and regulating professions for the period of licensure. Accordingly, fee levels could be changed during the 2017-19 fee setting process to reflect the longer period of licensure.

These changes would go into effect on July 1, 2016, except for the changes related to mobile dentistry credentialing, which would take effect on July 1, 2016, or on the first day of the third month after the Legislative Reference Bureau receives notice that the Dentistry Examining Board promulgated rules required under a provision in 2013 Wisconsin Act 244, including defining "mobile dentistry program," establishing standards of conduct for operation of a mobile dentistry program, and establishing processes for accessing patient records.

*Payment of Credential Fees in Installments.* Authorize DSPS to promulgate rules establishing procedures to allow credential holders to pay initial and renewal credential fees in installments. Currently, most professions regulated by DSPS pay an initial fee upon application for a license or credential, and a renewal fee every two years according to a schedule specified in statute. Fees range from \$10 to \$75 for initial licensure, and \$44 to \$170 for renewal. This provision would permit DSPS to promulgate rules that permit credential holders to pay these fees in installments.

**Joint Finance/Legislature:** Delete provision.

#### 4. CREDENTIAL RENEWAL FEES FOR AUDIOLOGISTS AND SPEECH-LANGUAGE PATHOLOGISTS

	<b>Jt. Finance/Leg (Chg. to Base)</b>	<b>Veto (Chg. to Leg)</b>	<b>Net Change</b>
GPR-REV	- \$21,300	\$21,300	\$0
PR-REV	- 213,400	213,400	0

**Joint Finance/Legislature:** Set the biennial credential renewal fees for audiologists and speech-language pathologists at \$75 for licensure renewals during the 2015-17 biennium. Currently, the license renewal fee for those professions is set at \$170 under the biennial DSPS fee proposal, as approved by the Joint Committee on Finance. Reduce estimated fee revenue DSPS collects by \$213,400 in 2016-17, and reduce the estimated amount of fee revenue that will be transferred to the general fund by \$21,300 in 2016-17.

**Veto by Governor [C-52]:** Delete provision.

[Act 55 Vetoed Section: 9138(6c)]

## 5. INFORMATION TECHNOLOGY MODERNIZATION

PR	\$1,455,000
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**Governor/Legislature:** Provide \$727,500 in one-time funding in 2015-16 and 2016-17 to maintain support for information technology (IT) improvement projects funded in 2013 Wisconsin Act 20. These projects include software upgrades and replacements, transition to a paperless system for credentialing and other functions, and implementation of a web-based system to allow DSPS staff to access data and file reports from the field. Act 20 provided \$744,100 in 2013-14 and \$728,900 in 2014-15 in one-time funding to support these projects. The base funding provided for this purpose in Act 20 is deleted as part of the standard budget adjustment that removes one-time funding.

## 6. PRESCRIPTION DRUG MONITORING PROGRAM

PR	\$100,000
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**Governor:** Provide \$50,000 annually to increase funding for the prescription drug monitoring program (PDMP). The PDMP was created under 2009 Wisconsin Act 362 to track the prescribing of certain prescription drugs in order to improve patient safety and reduce illegal use of drugs susceptible to abuse. Providers may use the PDMP to review a patient's prescription history prior to prescribing or dispensing a drug. Drugs monitored by the program include certain tranquilizers, stimulants, and pain relievers. The PDMP is currently operated by the Pharmacy Examining Board (PEB). Base funding for the PDMP is \$110,000 PR annually.

Modify current statutes as follows: (a) transfer the PDMP from the PEB to the Controlled Substances Board (CSB); (b) increase the membership of the CSB from six to nine members by including as members the chairperson of the Medical Examining Board or his or her designee, the chairperson of the Dentistry Examining Board or his or her designee, and the chairperson of the Board of Nursing or his or her designee; (c) allow the CSB to disclose a record under the PDMP to relevant state and local agencies that indicates suspicious or critically dangerous practices of a pharmacy, pharmacist, practitioner, or patient, and require CSB to define "suspicious or critically dangerous conduct or practices" for the purposes of implementing this provision; and (d) permit the CSB to refer to the appropriate board for discipline, or a law enforcement agency for investigation and prosecution, a pharmacist, pharmacy, or practitioner that fails to comply with the rules of the PDMP, including failure to generate a record required by the program.

Transfer the following from the PEB to the CSB: (a) assets and liabilities related to the PDMP; (b) tangible personal property primarily related to the PDMP; (c) contracts entered into by the PEB related to the PDMP, and the obligations of these contracts; (d) rules and orders related to the PDMP; and (e) any matters pending with the PEB related to the PDMP.

**Joint Finance/Legislature:** Modify the bill to include the following: (a) specify that statutory prohibitions on releasing health care records, which only allow for the release of health care records to persons designated in statute, to other individuals with the informed consent of the patient, or to a person authorized by the patient, shall not apply to records generated and disclosed to the CSB relating to the PDMP; (b) specify that, in rules promulgated by the Department relating to records, the rules shall comply with confidentiality statutes, except that the rules shall permit the Board to disclose a record generated by the program to a relevant state

board and agency, a relevant agency of another state, or an appropriate law enforcement agency; (c) replace "delivery" with "submittal" under the PDMP statutes; (d) define "administer" under the PDMP statutes as the direct application of a vaccine or a prescribed drug or device, whether by injection, ingestion, or any other means, to the body of a patient or research subject by a practitioner or his or her authorized agent, a patient or research subject at the direction of a practitioner, or a pharmacist; (e) define "board" under the PDMP statutes as the CSB; (f) define "patient" under the PDMP statutes as an individual for whom a monitored prescription drug is prescribed or to whom a monitored prescription drug is dispensed or administered; (g) define "pharmacist" as a person licensed by the PEB or licensed in another state and recognized by this state as a person authorized to engage in the practice of pharmacy in the state in which the person is licensed; (h) define "pharmacy" under the PDMP statutes as a place of practice licensed by the PEB; and (i) define "prescription order" as an order transmitted orally, electronically, or in writing by a practitioner for a monitored prescription drug for a particular patient.

[Act 55 Sections: 175, 524, 3483, 4474, 4477, 4731f thru 4731k, and 9138(1)]

## 7. LIMITED-TERM EMPLOYEES

PR	- \$191,000
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**Governor/Legislature:** Reduce funding by \$95,500 annually to reflect the net effect of reallocating base funding for salaries (-\$260,000) and fringe benefits (-\$115,400) for permanent positions to instead fund salaries (\$260,000) and fringe benefits (\$19,900) for limited-term employees (LTEs) for the regulation of professionals and industry, safety and buildings functions. DSPS employs LTEs to assist with application processing during peak application periods and permit reviews during peak building seasons. The funding changes in the bill are shown in the table below.

### Summary of Annual Funding Changes

	<u>Regulation of Professionals</u>		<u>Industry, Safety and Buildings</u>		
	<u>Operations</u>	<u>Examinations</u>	<u>Operations</u>	<u>Admin. Services</u>	<u>Total</u>
<b>Permanent Positions</b>					
Salaries	-\$100,000	-\$10,000	-\$100,000	-\$50,000	-\$260,000
Fringe Benefits	<u>-44,400</u>	<u>-4,400</u>	<u>-44,400</u>	<u>-22,200</u>	<u>-115,400</u>
Savings	-\$144,400	-\$14,400	-\$144,400	-\$72,200	-\$375,400
<b>Limited Term Employees</b>					
Salary	\$100,000	\$10,000	\$100,000	\$50,000	\$260,000
Fringe Benefits	<u>7,700</u>	<u>700</u>	<u>7,700</u>	<u>3,800</u>	<u>19,900</u>
Costs	\$107,700	\$10,700	\$107,700	\$53,800	\$279,900
<b>Net Change</b>	-\$36,700	-\$3,700	-\$36,700	-\$18,400	-\$95,500

## 8. LONG-TERM VACANCIES [LFB Paper 575]

**Joint Finance/Legislature:** Delete \$571,500 PR and \$248,200 FED annually with 9.76 PR positions and 4.20 FED positions to eliminate positions in DSPS that have been vacant 12 months or more.

	Funding	Positions
PR	- \$1,143,000	- 9.76
FED	- 496,400	- 4.20
Total	- \$1,639,400	- 13.96

## 9. ELIMINATE CERTAIN COUNCILS UNDER DSPS

**Joint Finance:** Eliminate the following councils that are created within DSPS: (a) Automatic Fire Sprinkler System Contractors and Journeyman Council; (b) Crematory Authority Examining Council; (c) Examining Council on Licensed Practical Nurses; (d) Examining Council on Registered Nurses; (e) Multifamily Dwelling Code Council; and (f) Pharmacist Advisory Council. In its 2015-17 biennial budget request, DOA proposed the elimination of these councils, which had not met for at least one year, from September, 2013, to September, 2014.

Under current law, the councils perform the following functions:

a. The Automatic Fire Sprinkler System Contractors and Journeyman Council advises DSPS regarding credentialing of automatic fire sprinkler fitters, contractors, and apprentices. The Council has five members, including a DSPS employee, two licensed journeymen automatic fire sprinkler fitters, and two persons representing licensed automatic fire sprinkler contractors.

b. The Crematory Authority Examining Council advises DSPS on matters relating to crematory authorities. The Council has seven voting members, including three licensed funeral directors who operate crematories, three representatives of cemetery authorities who operate crematories, and one public member.

c. The Examining Council on Licensed Practical Nurses prepares written questions and prescribes rules for the examination of licensed practical nurses to the Board of Nursing. The Council's membership includes one registered nurse, three licensed practical nurses, and one registered nurse who is a faculty member of an accredited school for practical nurses.

d. The Examining Council on Registered Nurses prepares written questions and prescribes rules for nursing examinations to the Board of Nursing. The Council's membership consists of four registered nurses that have at least three years of experience in nursing.

e. The Multifamily Dwelling Code Council advises DSPS regarding the multifamily dwelling code, including reviewing and recommending rules for promulgation by the Department. The Council consists of fourteen members representing labor organizations for the skilled building trades, municipal inspectors, fire services, building contractors and developers, and manufacturers of materials or supplies, architects, engineers, designers, and the public.

f. The Pharmacist Advisory Council makes recommendations regarding the promulgation, amendment, or repeal of rules to the Pharmacy Examining Board. The Council consists of two pharmacists, one physician, and one licensed nurse.

In addition, specify that DSPS must include a proposal to eliminate inactive boards, councils, or commissions with the submission of its biennial agency budget request. Under current law, DOA proposes the elimination of inactive boards, councils, or commissions with the submission of its biennial agency budget request. [See "Administration -- General Agency Provisions."]

**Senate/Legislature:** Restore the Automatic Fire Sprinkler System Contractors and Journeyman Council.

[Act 55 Sections: 203p, 205p, 207p, 211p, 272f, 1700m, 2724m, 2725m, 3482m, 4109b, 4416g, 4416r, 4417c, 4417g, 4417n, 4417r, 4417w, 4418c, 4418e, 4418m, 4418s, 4467g, 4467r, and 9101(10k)]

# **10. PRIVATE ONSITE WASTEWATER TREATMENT SYSTEM GRANT PROGRAM** [LFB Paper 485]

	<b>Governor</b>		<b>Jt. Finance/Leg.</b>		<b>Net Change</b>	
	<b>(Chg. to Base)</b>		<b>(Chg. to Gov)</b>		<b></b>	
	<b>Funding</b>	<b>Positions</b>	<b>Funding</b>	<b>Positions</b>	<b>Funding</b>	<b>Positions</b>
GPR	- \$4,818,000	- 1.00	\$0	0.00	- \$4,818,000	- 1.00
PR	0	0.00	2,485,000	0.00	2,485,000	0.00
Total	- \$4,818,000	- 1.00	\$2,485,000	0.00	- \$2,333,000	- 1.00

**Governor:** Repeal the private onsite wastewater treatment system replacement or rehabilitation grant program, and delete \$2,409,000 GPR annually, including: (a) \$2,338,600 for financial assistance and \$70,400 with 1.0 position. The program, created in 1978 and also referred to as the Wisconsin Fund, provides financial assistance to owners of a principal residence and small commercial establishments who meet certain income and eligibility criteria, to pay for a portion of the cost of repairing or replacing failing private onsite wastewater treatment systems (POWTS). A POWTS is a sewage treatment and disposal system serving a single structure with a septic tank and soil absorption field located on the same parcel as the structure. The maximum household income is \$45,000. The maximum grant is \$7,000, or approximately 60% of the cost of replacement or rehabilitation (as determined by DSPS grant funding tables in administrative rules), whichever is less. Counties apply to DSPS on behalf of homeowners and small commercial establishments because they are responsible for the regulation of POWTS installations. In 2013-14, DSPS awarded \$2,346,800 to 638 homeowners and small commercial establishments, and in 2014-15, the Department awarded \$2,233,200 to 502 recipients. DSPS is required to prorate grants in years in which eligible applications exceed available funds.

In addition, repeal an associated no-interest loan program under the environmental improvement fund. Created in 1999 Act 9, the program authorizes counties to apply for a loan in a year in which DSPS must prorate funds under the POWTS grant program. Counties may only use the loan to increase the grant amount to eligible persons to the amount the persons would have been eligible to receive if DSPS had not had to prorate grants. No counties have applied for loans under the program.

**Joint Finance/Legislature:** Provide \$1,645,000 PR in 2015-16 and \$840,000 PR beginning in 2016-17 to restore the POWTS replacement or rehabilitation grant program in DSPS on an ongoing basis. Provide the program revenue for the program by transferring funds from the safety and buildings (Division of Industry Services) operations appropriation, which receives PR from sanitary permit and private sewage system plan review fees, and fees received from other building permit, inspection and credentialing activities. The 2014-15 ending balance of the existing GPR POWTS grant appropriation (estimated at \$230,000) would be transferred to the renumbered PR appropriation in 2015-16. Restore the associated loan program within the environmental improvement fund.

[Act 55 Sections: 540m, 545, and 4117]

## **11. REPEAL REQUIREMENT TO CONTRACT FOR EDUCATION REGARDING CONSTRUCTION STANDARDS**

**Governor/Legislature:** Repeal the statutory requirements that DSPS: (a) contract with a private organization to provide education to builders of dwellings about construction standards and inspection requirements; (b) contract with a private organization to provide education regarding business practices to builders of dwellings, and allocate \$100,000 annually for the contract; (c) contact with a private organization to provide education to consumers about the home building process, and allocate at least \$600,000 annually for the contract; and (d) enter into any such contracts with an organization that is described in section 501 (c)(6) of the Internal Revenue Code and is exempt from federal income tax. Any contracts would be paid from the industry services (safety and buildings) program revenue operations appropriation, which receives revenue from several fees related to building plan review and permits. The Department has not entered into any contracts under the provision since 2007-08.

[Act 55 Sections: 2716 and 2717]

## **12. REPEAL OBSOLETE APPROPRIATIONS**

**Governor/Legislature:** Repeal two obsolete appropriations in the program for regulation of industry, safety and buildings, including for: (a) a grant for construction career academy grants to provide high school students with training in construction-related careers (no funds were spent); and (b) Crex Meadows Youth conservation camp (\$80,000 was awarded in 2007-08).

[Act 55 Sections: 545, 548, 549, and 2711]

## **13. FIRE DUES REESTIMATE [LFB Paper 572]**

PR	\$2,760,000
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**Joint Finance/Legislature:** Provide \$1,190,000 in 2015-16 and \$1,570,000 in 2016-17 to reestimate the fire dues distribution payments to local governments that maintain eligible fire departments as \$17,530,000 in 2015-16 and \$17,910,000 in 2016-17.



#### **14. AUTOMATIC FIRE SPRINKLERS IN ONE- AND TWO-FAMILY DWELLINGS**

**Joint Finance/Legislature:** Prohibit DSPS from promulgating or enforcing an administrative rule that requires that any one- or two-family dwelling contain an automatic fire sprinkler system, as defined in s. 145.01(2) of the statutes. (The current Wisconsin one- and two-family dwelling code does not require fire sprinklers in one- or two-family homes.)

[Act 55 Sections: 2714m and 2714n]

#### **15. RELIGIOUS WAIVERS TO CERTAIN ONE- AND TWO-FAMILY BUILDING CODE PROVISIONS**

**Joint Finance/Legislature:** Allow members of certain religious sects to request and receive, a temporary waiver from the requirements in the one- and two-family dwelling code (also known as the Uniform Dwelling Code or UDC) to install smoke detectors and carbon monoxide detectors, and from the requirement that dwellings meet certain electrical wiring and plumbing standards.

a. Require an applicant for a waiver from the requirement to comply with a dwelling construction standard to submit a signed application form requesting the waiver to the political subdivision that is responsible for issuing building permits for one- and two-family dwellings (dwellings). This would require submittal of an application to the city, village, town, or county delegated by DSPS to administer the one- and two-family dwelling code in the jurisdiction. If DSPS issues building permits for dwellings in a political subdivision, the submittal would be to DSPS.

b. Define "dwelling construction standard" as a requirement imposed under s. 101.645 (3) or s. 101.647 (3) of the statutes (requirements for smoke detectors and carbon monoxide detectors in one- and two-family dwellings) or a requirement imposed under any provision of Chapter 101 (buildings) or Chapter 145 (plumbing and fire protection) or under any ordinance of a political subdivision relating to standards for electrical wiring or plumbing in one- and two-family dwellings.

c. Specify that a person who is issued a waiver from a requirement to comply with a dwelling construction standard is not required to comply with that standard.

d. Require DSPS to prescribe and furnish a waiver application form to each political subdivision that issues building permits for dwellings. Require that the form be written in simple and plain language, and list, in a check-off format, each of the following statements: (1) the person's religious beliefs and the established tenets or teachings of the religious sect of which the person is a member conflict with one or more dwelling construction standards; (2) the dwelling for which the waiver is requested will be used solely as a residence for the person or members of the person's household; (3) the waiver is requested based upon the long-established tenets and teachings of the religious sect of which the person is a member and the religious sect did not establish these tenets and teachings solely to avoid compliance with dwelling construction standards; and (4) the person agrees to modify the dwelling for which the waiver is requested to comply with dwelling construction standards if the person ceases to adhere to the

tenets or teachings of the religious sect of which the person is a member and upon which the waiver is requested.

e. Require that the application shall include an attachment containing the address or other identifying information that describes the location of the dwelling and specifying the dwelling construction standard from which the person seeks a compliance waiver.

f. Require the political subdivision that issues building permits and that receives a completed and signed waiver application form to promptly issue a waiver to the applicant if all of the following apply: (1) the political subdivision has no reason to believe that the statements provided by the applicant on the waiver application form are untrue; (2) the political subdivision is satisfied that the waiver will not result in an unreasonable risk of harm to public health or safety; and (3) the waiver specifies those dwelling construction standards with which the applicant is not required to comply.

g. Specify that a political subdivision that finds that an applicant is not entitled to receive a waiver under the provision shall promptly notify DSPS of its finding together with a description of the political subdivision's basis for its finding. Require that, if DSPS agrees with the political subdivision's finding, the Department would be required to deny the waiver and notify the applicant that the waiver is denied. Require that, if DSPS disagrees with the political subdivision's finding, the Department would be required to issue the waiver to the applicant and notify the political subdivision that the Department has issued the waiver. If a political subdivision receives a notice from DSPS that the Department has issued the waiver, the political subdivision would be required to waive the applicant's requirement to comply with the dwelling construction standards specified in the waiver.

h. Specify that a person is entitled to obtain a waiver before, during, or after construction of a one- or two-family dwelling.

i. Prohibit a municipality and DSPS from charging a person a fee to apply for or receive a waiver.

j. Specify that a waiver issued under the provision is invalid if the political subdivision that issued the waiver or DSPS find that any of the following applies: (1) a statement on the waiver form submitted by the person to whom the waiver was issued is untrue; (2) the basis upon which the waiver was issued no longer applies; and (3) the dwelling is occupied by a person who does not hold the religious beliefs that form the basis for issuing the waiver.

k. Prohibit DSPS or a political subdivision from taking any enforcement action, or from proceeding with any enforcement action initiated on or before the effective date of the biennial budget act, against a person with respect to a dwelling construction standard if the person has a valid waiver issued under the provision that waives compliance with the requirement.

L. Specify that a builder, designer, or owner is not required to comply with the requirements of the one- and two-family dwelling code for which a waiver is issued.

[Act 55 Sections: 2715m, 2717m, and 2718d]

## **16. SEPTIC AND WELL PUMP INSTALLER ELECTRICIAN LICENSE EXEMPTION**

**Joint Finance/Legislature:** Create an exemption from the DSPS electrician licensing statutes under s. 101.862 of the statutes. Provide that the following persons would not have to be a licensed electrician: (a) a person engaged in installing, repairing, or maintaining a private on-site wastewater treatment system, if the activity only involves installing or modifying a conductor going from the system's junction, pull, or device box to the nearest disconnecting point and the conductor is buried with the system; and (b) a person engaged in installing, repairing, or maintaining a pump for a well, if the activity only involves installing or modifying a conductor going from the pump's junction, pull, or device box to the nearest disconnecting point and the conductor is buried with the pump.

[Act 55 Sections: 2718g and 2718h]

## **17. LOCAL ELECTRICAL AND MULTIFAMILY SPRINKLER CODE ORDINANCES**

**Joint Finance/Legislature:** Require that if a city, village or town adopts an electrical code or ordinance regarding electrical wiring and inspection of electrical wiring under s. 101.86 of the statutes, the code or ordinance must strictly conform to administrative rules promulgated by DSPS under s. 101.82 (1) (state electrical wiring code). [Currently, the electrical wiring provisions in Chapter 101 allow municipalities to enact a local electric wiring ordinance if it is not less restrictive than state requirements.]

Further, amend s. 101.02 (7r) to clarify that the provisions of s. 101.02 (7m) and s. 101.975 (3) allow a city, village or town to enforce a preexisting stricter automatic sprinkler ordinance, if the ordinance: (1) is for multifamily dwellings containing 20 or less attached dwellings; (2) was in effect on January 1, 1992, and remained in effect on May 1, 1992; (3) does not conform to the multifamily dwelling code subchapter of Chapter 101 and s. 101.02 (7m) or is contrary to an order of DSPS under the Department's general regulatory provisions; and (4) is stricter than the multifamily dwelling code or the contrary provision of the DSPS order. [Currently, s. 101.02 (7m) specifies that no city, village or town may make or enforce a multifamily dwelling ordinance that does not conform to the state multifamily dwelling code, unless the local ordinance has a preexisting stricter sprinkler ordinance. Section 101.02 (7r) specifies that no city, village or town may enact or enforce an ordinance that establishes minimum standards for constructing, altering, or adding to public buildings or buildings that are places of employment (commercial buildings), unless the ordinance conforms to applicable state rules, unless the ordinance met certain requirements for preexisting ordinances.]

[Act 55 Sections: 2685m and 2718f]

## Program Transfers

### 1. TRANSFER FUNCTIONS TO DFIPS

	<b>Governor</b> <b>(Chg. to Base)</b>		<b>Jt. Finance/Leg.</b> <b>(Chg. to Gov)</b>		<b>Net Change</b>	
	<b>Funding</b>	<b>Positions</b>	<b>Funding</b>	<b>Positions</b>	<b>Funding</b>	<b>Positions</b>
FED	-\$1,092,200	- 5.90	\$1,092,200	5.90	\$0	0.00
PR	<u>- 72,182,000</u>	<u>- 226.42</u>	<u>72,182,000</u>	<u>226.42</u>	<u>0</u>	<u>0.00</u>
Total	-\$73,274,200	- 232.32	\$73,274,200	232.32	\$0	0.00

**Governor:** Delete \$24,547,300 (-\$364,200 FED and -\$24,183,100 PR) in 2015-16 and \$48,726,900 (-\$728,000 FED and -\$47,998,900 PR) in 2016-17, and delete 232.32 positions (-5.9 FED and -226.42 PR positions), beginning in 2015-16, to reflect the elimination of DSPS. Transfer all DSPS functions, funding, and positions to the Department of Financial Institutions and Professional Standards (DFIPS).

*Transfer of Professional Credentialing Boards and Councils.* Transfer the following statutorily designated boards and councils from DSPS to DFIPS: (a) Accounting Examining Board; (b) Architects, Landscape Architects, Professional Engineers, Designers and Land Surveyors Examining Board; (c) Auctioneer Board; (d) Cemetery Board; (e) Cosmetology Examining Board; (f) Chiropractic Examining Board; (g) Dentistry Examining Board; (h) Funeral Directors Examining Board; (i) Geologists, Hydrologists and Soil Scientists Examining Board; (j) Hearing and Speech Examining Board; (k) Marriage and Family Therapy, Professional Counseling, and Social Work Examining Board; (l) Medical Examining Board, including the Council on Anesthesiologist Assistants, the Athletic Trainers Affiliated Credentialing Board, the Dietitians Affiliated Credentialing Board, the Occupational Therapists Affiliated Credentialing Board, the Podiatrists Affiliated Credentialing Board, the Massage Therapy and Bodywork Therapy Affiliated Credentialing Board, the Council on Physician Assistants, the Perfusionists Examining Council, and the Respiratory Care Practitioners Examining Council; (m) Board of Nursing, including the Examining Council on Registered Nurses and the Examining Council on Licensed Practical Nurses; (n) Nursing Home Administrators Examining Board; (o) Optometry Examining Board; (p) Pharmacy Examining Board, including the Pharmacist Advisory Council; (q) Physical Therapy Examining Board; (r) Psychology Examining Board; (s) Radiography Examining Board; (t) Real Estate Appraisers Board; (u) Council on Real Estate Curriculum and Examinations; (v) Crematory Authority Council; (w) Sign Language Interpreter Council; and (x) Controlled Substances Board.

*Transfer of Safety and Buildings Boards and Councils.* Transfer the following statutorily designated boards and councils from DSPS to DFIPS: (a) Dwelling Code Council; (b) Contractor Certification Council; (c) Multifamily Dwelling Code Council; (d) Manufactured Housing Code Council; (e) Conveyance Safety Code Council; (f) Plumbers Council; (g) Automatic Fire Sprinkler System Contractors and Journeymen Council; and (h) Building Code Council.

*Classified Bureau Directors.* Repeal the classified protection status of the incumbent

bureau directors who transferred from the former Department of Commerce to DSPS under the 2011-13 budget. 2011 Act 32 specified that if certain incumbent classified bureau directors in the Commerce Safety and Buildings Division were transferred to unclassified bureau director positions in DSPS, the former Commerce incumbents would retain their classified status and employee rights. DSPS indicates that no formerly classified incumbents remain in those positions.

*Transfer of Program Assets, Liabilities, Contracts, and Pending Matters.* Provide that on January 1, 2016, or the day after publication of the bill, whichever is later, the assets and liabilities, positions and incumbent employees, tangible personal property, pending matters, contracts, and rules and orders primarily related to the programs and functions of DSPS would be transferred to DFIPS. Transferred employees would have the same rights and the same status in the new agency as they enjoyed in the existing agencies immediately before the transfer, and no transferred employee who has attained permanent status in class would be required to serve a probationary period.

**Joint Finance/Legislature:** Delete provision, maintaining DSPS as a separate agency.

However, include several technical corrections in Chapters 71 and 100 of the statutes to refer to the Department of Agriculture, Trade and Consumer Protection (DATCP) instead of DSPS. This corrects references missed in the 2013-15 budget act transfer of responsibilities for petroleum tank inspection from DSPS to DATCP.

[Act 55 Sections: 2200b thru 2202b, 2327b, 2328b, 2329b, and 2683b thru 2683m]

## 2. **TRANSFER PRIVATE ONSITE WASTEWATER TREATMENT SYSTEM REGULATION TO DNR** [LFB Paper 484]

	<b>Governor (Chg. to Base)</b>		<b>Jt. Finance/Leg. (Chg. to Gov)</b>		<b>Net Change</b>	
	<b>Funding</b>	<b>Positions</b>	<b>Funding</b>	<b>Positions</b>	<b>Funding</b>	<b>Positions</b>
PR	-\$1,158,200	- 9.00	\$1,158,200	9.00	\$0	0.00
PR-REV	-\$2,443,000		\$2,443,000		\$0	

**Governor:** Delete \$386,100 in 2015-16 and \$772,100 in 2016-17 with 9.0 positions and transfer regulation of private onsite wastewater treatment systems (POWTS) from DSPS to the Department of Natural Resources (DNR) effective January 1, 2016. POWTS means a sewage treatment and disposal system serving a single structure with a septic tank and soil absorption field located on the same parcel as the structure. The transferred positions would include 1.0 section chief, 7.0 private sewage system plan reviewers, and 1.0 engineering consultant for plumbing product review. [See the entry under "Natural Resources – Environmental Quality" for the provision of funding and positions to DNR as environmental management account SEG.]

The administration indicates it intended to transfer program revenue currently received by

DSPS for sanitary permits and private sewage system plan reviews to DNR to be deposited in the segregated environmental management account of the environmental fund. The bill would need to be amended to accomplish the transfer of revenue. DSPS collected \$1,686,600 from the two fee types in 2013-14, including \$803,800 for sanitary permits and \$883,800 for private sewage system plan review. The administration estimates that revenue from the two fee types would total \$1,669,000 in each of 2015-16 and 2016-17, including \$786,000 for sanitary permits and \$843,000 for plan review. This would result in a decrease of PR revenue in DSPS of \$2,443,000, including \$814,000 in 2015-16 and \$1,629,000 in 2016-17 (and a corresponding SEG revenue increase in DNR).

*Responsibilities.* DSPS is currently responsible for the regulation of POWTS under Chapter 145 of the statutes and administrative rules included in Chapter SPS 383, and sections SPS 302.65 and SPS 302.67. Responsibilities include to: (a) issue sanitary permits authorizing the installation of a POWTS; (b) promulgate and administer rules for sanitary permits and private sewage system plan review; (c) review the POWTS programs administered by counties responsible for regulation, to determine compliance with state statutes and rules; (d) conduct training for local government officials responsible for POWTS regulation; (e) establish a maintenance program to be administered by local governments responsible for POWTS regulation; (f) promulgate and administer rules relating to lot size and lot elevation necessary for proper sanitary conditions in the development and maintenance of subdivisions not served by a public sewer, where provision for such service has not been made; and (g) review and evaluate existing POWTS that do not comply with siting or design standards, including to act on petitions for a variance from the standards.

*Transfer of Program Assets and Matters.* Provide that the DSPS assets, liabilities, tangible personal property, records, pending matters, contracts, administrative rules, and orders related to the regulation of private on-site wastewater treatment systems under Chapter 145 of the statutes, as determined by the Secretary of DOA, would become the responsibility of DNR on January 1, 2016. Any transferred rules would remain in effect until their specified expiration dates or until amended or repealed by DNR.

Provide that all positions and all incumbent employees holding those positions in DSPS that relate to the regulation of POWTS under Chapter 145 of the statutes, as determined by the Secretary of DOA, are transferred to DNR on January 1, 2016. Employees transferred under the provision would have the same rights and status related to state employment relations under Chapters 111 and 230 of the statutes. Transferred employees who have attained permanent status would not be required to serve a probationary period.

**Joint Finance/Legislature:** Delete provision. This would maintain POWTS regulation in DSPS.

### **3. TRANSFER VETERINARY EXAMINING BOARD TO THE DEPARTMENT OF AGRICULTURE, TRADE AND CONSUMER PROTECTION [LFB Paper 576]**

**Governor:** Transfer the Veterinary Examining Board (VEB) from DSPS to the Department of Agriculture, Trade and Consumer Protection (DATCP). This board is responsible

for regulating veterinarians and veterinary technicians by promulgating and enforcing rules and regulations for credential holders. Renumber current provisions related to the operation of the VEB from Chapter 453 to Chapter 89 of the statutes.

*Licensing Fee Revenue.* Authorize DATCP to promulgate rules regarding the fee levels for initial and renewal licenses for veterinarians and veterinary technicians based on administrative and enforcement costs of regulating these professions. Create a PR appropriation in DATCP for the licensing, rule-making, and regulatory functions of the VEB, funded from revenue from these fees. Authorize DATCP to expend all moneys credited to the appropriation for these purposes. Transfer any unencumbered balance in the DSPS general program operations appropriation that is primarily related to the operations of the VEB, as determined by the Secretary of the Department of Administration (DOA), to the new DATCP appropriation on the bill's general effective date.

*Violations of Credentialing Requirements.* Authorize DATCP to conduct investigations, hold hearings, and make findings as to whether a person has engaged in a practice or used a title without a required credential. Authorize DATCP to issue a special order enjoining a person from continuing the practice or use of the title if, after holding a public hearing, DATCP determines that a person has engaged in a practice or used a title without a credential required under Chapter 89. In lieu of holding a public hearing, permit DATCP to petition the circuit court for a temporary restraining order or an injunction under Chapter 813 of the statutes. Provide that any person who violates a special order for engaging in a practice without a required credential would be subject to a forfeiture of no more than \$10,000 for each offense, with each day of continued violation constituting a separate offense. Provide that the Attorney General or any district attorney could commence an action in the name of the state to recover a forfeiture. Provide that any individual who violates a temporary restraining order or an injunction issued by a court upon a petition may be fined not less than \$25 and no more than \$5,000 or imprisoned for not more than one year in a county jail, or both.

*Transfer of Program Assets, Liabilities, Contracts, and Pending Matters.* Provide that, on the bill's general effective date, all assets and liabilities, tangible personal property, contracts, and pending matters relating primarily to the functions of the VEB, as determined by the Secretary of DOA, are transferred to DATCP.

In state fiscal years 2012-13 and 2013-14, there were 329 initial and 3,220 renewal veterinary medicine license applications, and 416 initial and 1,623 renewal veterinary technician license applications. The initial and renewal fees for these credentials were set at \$75 and \$160, respectively. The Department of Administration estimates that DSPS would experience a decrease of \$780,000 PR over the 2015-17 biennium from fee revenue related to the VEB with a similar increase expected for DATCP.

**Joint Finance/Legislature:** Adopt the Governor's recommendations with the following modifications: (a) authorize the elder-adult-at-risk agency to refer alleged cases of abuse by veterinary professionals to DATCP; (b) specify that a court may declare a person incompetent to apply for a veterinarian or veterinary technician license; (c) specify that the VEB is authorized to conduct an investigation to determine whether an applicant for a veterinary or veterinary

technician license satisfies the eligibility requirements for the license, including whether the applicant does not have an arrest or conviction record in accordance with state statutes prohibiting discrimination; (d) require a person holding a veterinary or veterinary technician license who is convicted of a felony or misdemeanor anywhere to send a notice of the conviction by first class mail to the VEB within 48 hours after the entry of the judgement of conviction, and require the VEB to determine by rule what information and documentation the person holding the credential shall include with the written notice; (f) specify that the VEB may investigate whether an applicant for or holder of a veterinary or veterinary technician license has been charged with or convicted of a crime; (g) require DATCP to deny an application for an initial or renewal veterinary or veterinary technician license or revoke a license for an individual for whom DATCP has received a declaration of incompetency; and (h) require DATCP to notify affected credential holders of any changes in license fees.

[Act 55 Sections 128, 190, 483, 1058, 1453, 1905, 1905m, 1906b, 2597 thru 2599, 2613, 2614, 2618 thru 2621, 2636 thru 2640, 3518 thru 3521, 4110, 4111, 4319, 4372, 4373, 4383, 4384, 4468, 4473, 4475 thru 4477, 4490 thru 4502, 4740, 9138(5), and 9238(3)]

#### 4. **TRANSFER FUNCTIONS AND DELETE POSITIONS FOR DOA SHARED AGENCY SERVICES** [LFB Paper 111]

	<b>Governor (Chg. to Base) Positions</b>	<b>Jt. Finance/Leg. (Chg. to Gov) Positions</b>	<b>Net Change Positions</b>
PR	- 17.00	17.00	0.00

**Governor:** Delete 17.00 positions from the following appropriations of the Department of Safety and Professional Services, for a shared agency services pilot program under the Department of Administration (DOA): (a) general program operations for professional regulation and administrative services (5.00 positions); (b) administrative services for safety and buildings (11.00 positions); and (c) safety and building operations (1.00 positions). Funding associated with the positions would not be reduced, but rather reallocated to supplies and services to pay shared agency services charges assessed by DOA. The bill does not specify that incumbent employees would be transferred to DOA.

Transfer the following functions to DOA under the pilot program: (a) human resources services; (b) payroll services; (c) finance services; (d) budget functions; and (e) procurement services. Under the bill, DOA would be authorized to assess agencies for services provided under the pilot program in accordance with a methodology determined by DOA.

**Joint Finance/Legislature:** Delete provision. [See "Administration -- Transfers."]



**5. PROVISION OF INFORMATION TECHNOLOGY SERVICES BY DEPARTMENT OF ADMINISTRATION [LFB Paper 110]**

	<b>Governor (Chg. to Base) Positions</b>	<b>Jt. Finance/Leg. (Chg. to Gov) Positions</b>	<b>Net Change Positions</b>
PR	- 1.78	1.78	0.00

**Governor:** Require that all information technology services for the Department of Safety and Professional Services (DSPS) be provided by the Department of Administration (DOA). Delete 1.78 positions from the following appropriations of the Department of Safety and Professional Services, for a shared agency services pilot program under the Department of Administration (DOA): (a) general program operations for professional regulation and administrative services (1.0 positions); and (b) general program operations for the regulation of industry, safety, and buildings (0.78 positions). Funding associated with the positions would not be reduced, but rather reallocated to supplies and services to pay information technology services charges assessed by DOA. The bill does not specify that incumbent employees would be transferred to DOA.

On the effective date of the bill, specify that the assets and liabilities of DSPS related to information technology, as determined by the Secretary of DOA, would become the assets and liabilities of DOA. In addition, on the effective date of the bill, specify that all tangible personal property, including records, relating to information technology would transfer to DOA. Further, all information technology contracts would remain in effect and would transfer to DOA. The bill does not specify that any positions or incumbent employees would be transferred to DOA under the provision.

**Joint Finance/Legislature:** Delete provision. [See "Administration -- Transfers."]

**6. TRANSFER POSITION TO THE DEPARTMENT OF ADMINISTRATION FOR THE OFFICE OF GOVERNMENT CONTINUITY [LFB Paper 114]**

	<b>Governor (Chg. to Base) Positions</b>	<b>Jt. Finance/Leg. (Chg. to Gov) Positions</b>	<b>Net Change Positions</b>
PR	- 1.00	1.00	0.00

**Governor:** Transfer 1.0 position from the DSPS appropriation that funds administrative services for the regulation of industry, safety and buildings to the Department of Administration (DOA) for a newly created Office of Government Continuity. Under the bill, the Office would establish and administer a continuity of government program in consultation with the administrator of the Division of Emergency Management in the Department of Military Affairs, to ensure the continuity of state government operations during a disaster. The bill does not specify the type of position to be transferred or whether incumbent employees would be

transferred to DOA. Funding associated with the position would not be reduced, but rather reallocated to supplies and services to pay Office of Continuity charges assessed by DOA.

**Joint Finance/Legislature:** Delete provision. [See "Administration -- Transfers."]

## 7. CONSOLIDATE MARKETING SERVICES IN TOURISM

	<b>Governor</b> <b>(Chg. to Base)</b>		<b>Jt. Finance/Leg.</b> <b>(Chg. to Gov)</b>		<b>Net Change</b>	
	<b>Funding Positions</b>		<b>Funding</b>	<b>Positions</b>	<b>Funding</b>	<b>Positions</b>
PR	\$0	- 0.50	- \$47,600	0.00	- \$47,600	- 0.50

**Governor:** Delete 0.5 positions identified by the administration as being generally related to marketing or communications. The 0.5 position would be deleted from the DSPS general program operations appropriation for professional regulation.

The provision is intended to consolidate various functions related to marketing of the state or state agency services in the Department of Tourism, which currently markets the state as a destination for tourists and other travelers. Tourism would be provided staffing and funding for an Office of Marketing, and Tourism would charge agencies for marketing services. The bill would not provide for the transfer of any incumbent employees to Tourism. Additional information on the Office of Marketing is available under "Tourism."

**Joint Finance/Legislature:** Modify the Governor's recommendation by deleting funding associated with the positions, rather than reallocating funding to supplies and services.

## 8. TRANSFER REGULATION OF TATTOOING, BODY PIERCING, AND TANNING TO DSPS [LFB Paper 577]

**Joint Finance/Legislature:** Transfer the regulatory responsibilities of the Department of Health Services for tattooists and tattoo establishments, body-piercers and body piercing establishments, and tanning facilities to DSPS on January 1, 2016. [See "Health Services -- Public Health and Other Programs."]

[Act 55 Sections: 669, 1454, 1853, 2471, 3121, 4031, 4032, 4041 thru 4044, 4048, 4108, 4317, 4524, 4525, 9118(3), and 9418(2f)]